



News from the Connecticut District Office

Bernard M. Sweeney, District Director

March 2006

Lender News

U.S. Small Business Administration Connecticut District Office

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MARCH 10

How to Write and Negotiate Winning
Proposals for Government Contracts
9:00a – 12:00p
Gateway Community College
60 Sargent Drive
New Haven, CT
For more information contact
Lisa Powell @ (860) 240*4892 or
Lisa.Powell@sba.gov

APRIL 07

Understand Different Types of
Government Contracts
9:00a – 12:00p
Gateway Community College
60 Sargent Drive
New Haven, CT
For more information contact
Lisa Powell at (860) 240-4892 or
Lisa.Powell@sba.gov

STAY TUNED FOR INFORMATION ON
CONNECTICUT'S SMALL BUSINESS
2006 AWARD WINNERS AND
CELEBRATION

*All of the SBA's programs and services
are provided to the public on a
nondiscriminatory basis.*

SBA Surety Bond Program

Small contractors and service companies can often find the ability to obtain bonding as the difference between winning and losing a job or project that can propel their business to the next level of performance and profitability. Through the availability of the SBA's Surety Bond Guarantee Program contractors can find the support to help their businesses overcome this obstacle.

A surety bond is a three-party instrument between a surety, the contractor, and the project owner. The agreement binds the contractor to comply with the terms and conditions of the contract. If the contractor is unable to perform successfully on the contract, the surety assumes the contractor's responsibilities and ensures that the project is complete.

In similar fashion to many of the SBA's Capital Access programs, the Surety Bond Guarantee program reduces the risk of surety companies by providing coverage against a percentage of potential losses if they are sustained because of a contractor's default on a guaranteed bid, payment and performance bonds for construction, service, and supply contracts. This program was developed to help small, minority, and emerging contractors who have the knowledge and skills necessary for success, but lack the combination of experience and financial strength to obtain bonds at reasonable rates through regular commercial channels.

The Surety Bond Guarantee is an often-overlooked part of the SBA's arsenal of tools designed to help up and coming contractors to expand their businesses by taking on larger and more complex projects. With the ability to provide up to \$2 million of bonding support to eligible small contractors, it is swiftly being recognized and an important asset for small businesses on the rise throughout Connecticut.

For additional information on the SBA's Surety Bond Guarantee program, see
www.sba.gov/osg.



Pay.gov

Lenders are now able to make payments 7 days a week – 24 hours a day through Pay.gov a free, secure government-wide financial management portal. Pay.gov was developed by the U.S. Department of the Treasury's Financial Management Service and developed in conjunction with the Federal Reserve Bank. This on-line service offers various on-line electronic financial services that the public can use for remitting payments and associated data electronically to federal agencies.

Any Lender choosing to make payments for Loan Guarantee Fees or Care and Preservation of Collateral (CPC) Expenses can use the Pay.gov website. Payments will be processed electronically by using either, a checking or savings account debit processed through the Automated Clearing House (ACH).

To make payments visit <https://pay.gov/paygov/> or for more information contact the DFC Action Desk at 1-800-624-1373 Option #1 or by email at DFCActionDesk@sba.gov. Any payments processed through Pay.gov requiring a refund will be returned by check. SBA can receive but cannot make payments electronically through Pay.gov.

We would Love to Hear of Your Success

Do you know an SBA client that meets the following criteria; in business for at least 5 years, has shown an increase in the number of employees or growth in revenue; involvement in their community? We would like to pass your stories on to local and national media, use them on our website, include them in our *Connecticut Connections* newsletter, and highlight them while doing radio and TV interviews. Please call Debra Dillon or Hugh Curley and we can help get the good word out.

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Does your Church or Community Organization provide a public service? Are you interested in possible government funding to help? If so, visit www.fbc.gov to find out how the SBA Faith-Based & Community Initiatives can help or call Debra Dillon at (860) 240-4654 or Debra.Dillon@sba.gov

SBA Partners Corner

SCORE
Counselors to America's Small Business

SCORE Counselors Help Prepare Clients to Get Loans

Lack of money is often standing between the entrepreneurs and starting their own businesses. Many entrepreneurs are not familiar with the process or the options available to them. The key is in planning and developing a working financial strategy, which makes sense to both the business and the lender. SCORE Counselors can help assess the readiness of entrepreneurs to borrow and prepare them for the loan process.

After evaluating their options there is much more for an entrepreneur to do, so consider referring your client to a SCORE counselor. SCORE counselors can be most effective in assisting clients to define their needs, prepare a convincing and appropriate business plan, and estimate their needs for starting and sustaining the business. Check with your local chapter of SCORE for a loan workshop or an individual counselor.

Greater Hartford SCORE (860) 240-4700
www.score56.org Email: krein22@comcast.net

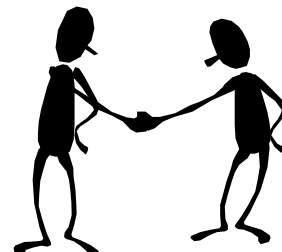
Greater Bridgeport SCORE (203) 576-4369
www.scorebridgeport.org Email: score471@bridgeport.edu

New Haven SCORE (203) 865-7645
www.newhavenscore.com Email: jbrander@aol.com

Old Saybrook SCORE (203) 388-9508
www.scoreoldsaybrook.org Email: score579@hotmail.com

Western CT SCORE (203) 974-1404
Email: danburyscore@sbcglobal.net

Fairfield County SCORE (203) 847-7348
www.scorenorwalk.org Email: score41@aol.com



SBA Success Story

Blue Ribbon Testing

Stamford, Connecticut

In the 1990's, Anna Sturrock, of Stamford had worked in the private sector of educational assessment and testing for several years both in Europe and the U.S. During her ten-year commitment to starting and raising a family, she put her career on hold with a deeply felt understanding that at some point in the future she would return to the educational arena in some capacity. With the valuable perspective of having been a part of both the U.S. and European educational systems, she sought opportunities to use her rich background and personal commitment to education and improvement of the educational experience and outcomes for students.

During her ten-year hiatus from teaching, she stayed in touch with the developments within the educational sciences and the professional teaching community. As her husband, Hal Sturrock developed his career in the corporate world of educational measurement and standardized testing she became keenly aware of emerging trends in testing and assessment.

The large corporate world of educational testing did not appeal to Anna, but the breath of her experience urged her to consider ways of applying her skills and talents to develop assessment tools that would provide real value to student and teacher alike. She decided to leverage her skills and those of her husband to develop software that could help students prepare for standardized mastery tests, and more importantly provide a diagnostic assessment of those students in need of additional help to improve in a given subject area or discipline.

In 2002, Anna formed Blue Ribbon, LLC to help her achieve this end. Together she and Hal developed Blue Ribbon software. The software provides students with specific test preparation tools directly related to mastery test standards. The assessment in addition, feedback approach allows teachers to create their own questions and mini tests focused on specific skills that identify areas in need

of improvement. This leads to specific and targeted intervention, which dramatically improves the likelihood of student success in testing and more importantly general academic progress.

Seeing the potential success of the budding enterprise, Anna and Hal decided to both enter the business on a full time basis. The decision for Hal to give up the security of working for a large employer was well thought out. Anna and Hal sought out resources to help prepare them for challenges and identify solutions that would lessen the risk of going it alone as a small business.

In 2003, as Hal was joining the business, they sought assistance from the Norwalk Chapter of SCORE the Service Corps of Retired Executives. There they met with Austin Pryor who shared with them his experience in developing a successful strategy and complimented their sound educational and technological ideas with his insights into areas of marketing, accounting and finance where they were lacking. In addition, Mr. Pryor was able to serve them as a sounding board for ideas and challenges as they came before them in their new business.

They knew if they were to grow as a business, they would need additional financial resources to announce their presence and gain a presence in the marketplace. They developed a business plan with the assistance of Mr. Pryor that included realistic targets and methods of gaining a presence in their home market in Connecticut. Breaking into the educational testing market in Connecticut was no easy feat. On the heels of the federal No Child Left Behind Act, school districts throughout the state were standards under pressure to meet and exceed immediately or risk the loss of valuable funding. To overcome the label of being a "new" company with a "better" tool was one of their biggest challenges. Connecticut Schools had been conducting Mastery tests for nearly two decades and almost all school districts were already utilizing a vendor for testing support services. Distinguishing

Blue Ribbon, LLC as a real and valuable alternative for assessment and planning was not easy, especially with the ongoing constraints on educational budgets throughout the state. Slowly but surely they proved their case with one district, then another and another.

Currently Blue Ribbon Testing is Growing! They have completed their third year and their testing and assessment software is used in almost 12% of schools in Connecticut. Anna says, "starting a business is a complex challenge and the people at SCORE have supported many people through this process. They have seen what works and what does not. SCORE was my help line, and a very reassuring one at that."

As for the future, Anna and Hal say, "We are very fond of CT schools and we will always have a CT specific product for our state," although they plan to expand to other states in the next year or so. They also hope to release new consumer products for parents to buy for their children for test preparation at home, which will also pinpoint areas to focus on and practice materials to address those areas.



Hal & Anna Sturrock

For more information about SBA programs and services contact the SBA Connecticut District Office (860) 240-4700 or visit www.sba.gov/ct

CONNECTICUT DISTRICT OFFICE
FY 2006 LOAN VOLUME BY LENDER AS OF FEBRUARY 28, 2006

NAME OF LENDER	# OF LOANS	LOAN AMOUNT
Citizens Bank	134	\$ 6,011,200
Bank of America	95	\$ 2,459,600
Newtown Savings Bank	34	\$ 3,375,500
Capital One, FSB	33	\$ 1,395,000
TD BankNorth, NA	30	\$ 6,523,300
Webster Bank	23	\$ 4,514,400
Connecticut Community Investment Corp.	21	\$11,785,000
CIT Small Business Lending Corp.	17	\$ 9,973,200
Fairfield County Bank Corp.	17	\$ 3,195,000
JP Morgan Chase Bank	13	\$ 696,600
Sovereign Bank	12	\$ 380,100
Housatonic Industrial Development Corp.	11	\$ 5,830,000
Peoples Bank	10	\$ 1,116,000
Savings Bank of Danbury	08	\$ 570,000
The Connecticut Bank & Trust	07	\$ 1,550,000
New England Certified Development Corp	05	\$ 2,847,000
Cornerstone Business Credit, Inc.	05	\$ 1,275,000
Banco Popular, NA	05	\$ 2,835,000
The Bank of Southern Connecticut	05	\$ 1,037,000
NewMil Bank	05	\$ 949,000
Charter One, NA	05	\$ 665,000
Thomaston Savings Bank	05	\$ 586,000
Wachovia Small Business Lending	04	\$ 2,377,900
Business Loan Center, LLC	03	\$ 2,286,500
Commerce Bank	03	\$ 2,124,000
UPS Capital Business Credit	03	\$ 1,826,000
Unity Bank	03	\$ 1,730,000
Patriot National Bank	03	\$ 1,100,000
First National Bank of Litchfield	03	\$ 495,000
CHB America Bank	03	\$ 310,000
HSBC Bank USA, NA	03	\$ 80,000
Branch Banking and Trust Co. (Vine St. Financial)	02	\$ 2,050,000
Connecticut Business Development Corp.	02	\$ 386,000
NewAlliance Bank	02	\$ 350,000
The Simsbury Bank & Trust	02	\$ 300,000
Manufacturers and Traders	02	\$ 200,000
Union Savings Bank	02	\$ 134,500
Citibank (West) FSB	02	\$ 50,000
Liberty Bank	02	\$ 38,000
Ocean State Business Development Authority	01	\$ 1,851,000
Hudson United Bank	01	\$ 685,000
First County Bank	01	\$ 500,000
PNC Bank, N.A.	01	\$ 423,000
Community South Bank	01	\$ 368,000
Comerica Bank	01	\$ 360,000

NAME OF LENDER (cont.)	# OF LOANS	LOAN AMOUNT
Prime Bank	01	\$ 314,000
Business Lenders, LLC	01	\$ 264,000
Newtek Small Business Finance	01	\$ 250,000
National Cooperative Bank	01	\$ 248,000
Eastern Federal Bank	01	\$ 134,500
Savings Institute Bank and Trust	01	\$ 115,000
Celtic Bank Corporation	01	\$ 49,000
Washington Mutual Bank	01	\$ 30,000
Broadway National Bank	01	\$ 10,000
TOTAL	559	\$91,008,300

The following list represents lenders providing first position financing in participation with 504 projects; with the 504 debentures included in the above list under the CDC's

		SBA	TOTAL
<u>504 LOANS</u>		<u>PORTION</u>	<u>PROJECT</u>
NewMil Bank	05	\$ 1,504,550	\$ 3,631,000
Newton Savings Bank	03	\$ 1,375,000	\$ 4,185,000
Bank of America	04	\$ 1,801,000	\$ 4,355,000
People's Bank	02	\$ 757,000	\$ 2,010,000
The Savings Institute Bank & Trust	02	\$ 388,000	\$ 950,000
Zions Bank	01	\$ 1,851,000	\$ 6,000,000
Lignum Vitae, LLC	01	\$ 1,684,000	\$ 4,087,528
JP Morgan	01	\$ 1,413,000	\$ 3,433,400
Naugatuck Valley Savings & Loan	01	\$ 1,383,000	\$ 3,360,337
Hampden Savings Bank	01	\$ 1,182,000	\$ 2,876,000
Farmington Savings Bank	01	\$ 824,000	\$ 3,750,000
Liberty Bank	01	\$ 953,000	\$ 2,900,000
Dime Bank	01	\$ 869,000	\$ 2,108,000
Citizens Bank	01	\$ 865,000	\$ 2,100,000
Key Bank	01	\$ 740,000	\$ 1,850,000
Patriot National Bank	01	\$ 632,000	\$ 1,750,000
Collinsville Savings Society	01	\$ 640,000	\$ 1,550,000
Sovereign Bank	01	\$ 554,000	\$ 1,791,000
Naugatuck Valley Bank	01	\$ 404,000	\$ 1,116,150
Enfield Federal	01	\$ 325,000	\$ 1,273,700
NewAlliance Bank	01	\$ 306,000	\$ 738,000
Webster Bank	01	\$ 263,000	\$ 723,888
Citibank	01	\$ 233,000	\$ 560,000
Naugatuck Valley Savings Bank	01	\$ 222,000	\$ 610,000
Greater Bay Bank	01	\$ 219,000	\$ 537,500
Valley Savings & Loan	01	\$ 207,000	\$ 568,269
Fairfield County Bank Corp	01	\$ 192,000	\$ 480,000
Union Savings Bank	01	\$ 180,000	\$ 430,000
First County Bank	01	\$ 167,000	\$ 400,000
TOTAL	40	\$ 20,629,000	\$ 56,493,772